City and County of San Francisco
London N. Breed, Mayor

Office of the City Administrator
Carmen Chu, City Administrator
Sailaja Kurella, Acting Director
Office of Contract Administration/Purchasing

DATE: November 27, 2023

TO: Angela Calvillo, Clerk of the Board

FROM: Sailaja Kurella, Director of Office of Contract Administration (OCA) and Purchaser

SUBJECT: **Resolution to approve amendment to Term Contract 1000023404 —Electrical Supplies and Materials with Alameda Electrical Distributors Inc.**

Enclosed is the resolution from the Office of Contract Administration (OCA) requesting that the Board of Supervisors authorize an amendment to Contract 1000023404 (OCA Term Contract 77001) with Alameda Electrical Distributors Inc. (Alameda) to increase the contract not-to-exceed (NTE) amount by $600,000 for a total NTE of $10,500,000.

Background
On December 15, 2017, OCA conducted a Low Bid solicitation for a Citywide as-needed contract for the purchase of electrical materials, supplies and fixtures (Invitation for Bids # 77001). OCA received three responses, of which Maltby Electric Supply was deemed the lowest responsive bidder and was awarded an agreement with an initial contract NTE amount of $8.5 million and duration of three years, from May 1, 2018 to April 30, 2021, with the option to extend the contract for an additional three years, through April 30, 2024.

In October 2021, the contract was transferred from Maltby Electric Supply Company to Alameda Electrical Distributors Inc. through a Novation agreement.

The Alameda contract offers a wide variety of electrical supplies at significant cost savings to City departments by providing catalogue discounts off the company's extensive inventory. Discounts range from 5% to 98% off the offered manufacturers/brands and product types.

This contract was originally intended for use by only the Airport Commission, however, OCA made this contract available for Citywide use to allow other departments a second option to purchase electrical supplies from. The contract has been amended two times, plus the novation, to date. A summary of all amendments to date is provided below:

- Amendment 1: Dated March 9, 2021, extended the contract end date to April 30, 2023.
- Novation Agreement: Dated October 1, 2021, transferred the contract from Maltby Electric Supply Company to Alameda Electrical Distributors Inc.
- Amendment 2: Dated October 17, 2022, extended the contract end date to April 30, 2024 and increased the contract not to exceed amount to $9,900,000.

Current Request
As stated above, the last amendment to this contract was in October 2022. The purpose of that amendment was to allow OCA time to issue a new solicitation before the existing contract NTE was once again depleted. Numerous factors, however, have impeded OCA's ability to draft and complete a new solicitation in the anticipated timeline. These factors include constraints on accessing relevant usage data to ensure better estimation for the next award and staffing limitations given OCA's total volume of work relative to its staffing levels. At this time, therefore, OCA is requesting to increase the contract NTE amount by $600,000 for a total NTE of $10,500,000. OCA expects to issue a new solicitation in early 2024 with new contracts in place by April 2024. This increase in NTE will ensure City departments can continue to use this contract through its end date of April 30, 2024 while OCA

works to replace it.[1] The basis for OCA's revised NTE is provided below:

Estimated Need Based on Data Available as of November 2023 (Based on Annual Avg 2018-2023)		
Total Spend	$	8,558,566
Avg Monthly Spend	$	128,823
Total Remaining Months Until Contract End Date of 4/30/24		5
Total Needed for Remaining Months	$	639,457
Available Contract Balance in PeopleSoft	$	157,267
Contingency (15%)	$	95,919
Total Additional Funds Needed through Contract End Date	$	578,109
Current NTE	$	9,900,000
Revised NTE	**$**	**10,478,109**
Revised NTE (Rounded)	**$**	**10,500,000**
Total to add	**$**	**600,000**

Summary

The Alameda contract offers a wide variety of electrical supplies at significant cost savings to City departments by providing catalogue discounts off the company's extensive inventory. Discounts range from 5% to 98% off the offered manufacturers/brands and product types. This contract is critical for satisfying City departments' needs for essential electrical products. Approval of this resolution will allow City departments to continue procuring these goods in a streamlined and cost-efficient manner.

If you have any questions or require additional information, please contact Annyse Acevedo on my team at (628) 652-1648.

Enclosures:

1. Resolution for TC#77001
2. S.F. Ethics Commission form 126f4, Notification of Contract Approval
3. TC#77001 Electrical Supplies Agreement
4. TC#77001 Electrical Supplies Agreement – Modification 1 TC#77001 Electrical Supplies Agreement – Novation Agreement TC#77001 Electrical Supplies Agreement – Modification 2
5. TC#77001 Electrical Supplies Agreement – DRAFT Modification 3

[1] Although we have one other electric contract (Contract ID 1000005805 with Buckles-Smith Electric Co), it too is almost out of capacity and will also be submitted to the Board for an increase.